STATE OF CONNECTICUT
HOUSE OF REPRESENTATIVES

CHRISTOPHER G. DONOVAN
SPEAKER OF THE HOUSE

January 25, 2011

Kimberley J. Santopietro
Executive Secretary
Department of Public Utility Control
Ten Franklin Square
New Britain, CT 06051

Re: Docket No. 10-12-05
PETITION OF THE OFFICE OF CONSUMER COUNSEL FOR A DECLARATORY RULING THAT THE PENDING MERGER OR NORTHEAST UTILITIES AND NSTAR REQUIRES APPROVAL BY THE CONNECTICUT DEPARTMENT OF PUBLIC UTILITY CONTROL

Dear Secretary Santopietro:

I write to urge the Department of Public Utility Control to postpone the issuance of its final decision on the NSTAR-NU merger. Instead, I respectfully request that the Department schedule a public hearing to enable a more thorough examination of whether the Department has jurisdiction over the merger. In doing so, I concur with the Written Exceptions filed by Attorney General George Jepsen and by the Office of Consumer Counsel to the DPUC's Draft Decision, as well as with correspondence by my legislative colleagues.

The NSTAR-NU merger has the potential to have a significant effect on Connecticut's ratepayers. CL&P alone has 787,725 electric customers, and there are Yankee Gas customers as well. The Department has a broad responsibility to protect ratepayer interests pursuant to §16-11, which authorizes the Department to order reasonable changes in the manner of operation of public service companies that are in the public interest and along with §16-47 and §16-43 gives the authority for the Department to review, approve or place conditions on the merger.

Hearings provide the opportunity for the Department to explore the proposed merger.

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The Department should review the merger to identify any costs and benefits that will impact our state's ratepayers. If there are net benefits from the merger, the Department, as a regulator, should ensure benefits are apportioned fairly between ratepayers and shareholders. It is entirely possible that the proposed merger will produce economies of scale that will produce a direct benefit. There also are possible negative consequences of the merger, including consequences that may result from the comprehensive review of this transaction by Massachusetts.

Past corporate mergers have resulted in some restructuring of the workforce. This is an important component for ratepayer information, since workers and service delivery can be impacted.

As the Speaker of the House of Representatives, whose members represent ratepayers from throughout the state, I ask that you reconsider the Draft decision in favor of a hearing to determine jurisdiction for the proposed merger. Our residents and businesses deserve no less.

Thank you.

Very truly yours,

Christopher G. Donovan
Speaker of the House